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ABSTRACT

Over the past 8 years, the debate over U.S. policy in Central America has degenerated into an unproductive partisan clash that has obscured the issues and eliminated the possibility of a bipartisan consensus. Conference participants agreed that Central America, for historic, geographic, economic, and political reasons is of vital interest to the United States and that disengagement is not a viable option. U.S. credibility, in the region and at home, requires a clear set of priorities and congruence between stated and real goals, and it also requires a consensus on the nature of U.S. interests in Central America and how they can be protected and advanced. Defining points of intersection between U.S. goals and interests and those of the Central American countries is also necessary. The group was able to agree on a framework for a workable policy, though not on specific recommendations. The main points of consensus were: (1) The United States must look to revitalize the regional diplomatic option as part of its political agenda. (2) The Central America issue demands immediate attention and should be a top priority. The United States must recognize that it has a stake in the positive resolution of the Central American crisis. (3) Policy must be formed from a bipartisan consensus and must not be implemented without backing from the American people. Whatever policy is agreed upon will work if it is consistent and includes realistic means to achieve realistic ends. A list of conference participants and the conference-opening speech are included. (Author/JB)

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Central America: Where Do We Go From Here?

29th Strategy for Peace, US Foreign Policy Conference 1988

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The Stanley Foundation

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About the Conference

Strategy for Peace, the Stanley Foundation's US foreign policy conference, annually assembles a panel of experts from the public and private sectors to assess specific foreign policy issues and to recommend future direction.

At the October 1988 conference, 65 foreign policy professionals met at Airlie House conference center to recommend elements of a strategy for peace in the following areas:

1. Developing an Indochina Policy for the Next Administration
2. Soviet Integration Into the World Economy
3. US Policy Toward Central America: Where Do We Go From Here?

The work of the conference was carried out in three concurrent round-table discussions. These sessions were informal and off the record. The rapporteurs tried to convey the conclusions of the discussions and the areas of consensus and disagreement. This is the report of one discussion group.

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The rapporteur prepared this report following the conference. It contains her interpretation of the proceedings and is not merely a descriptive, chronological account. Participants neither reviewed nor approved the report. Therefore, it should not be assumed that every participant subscribes to all recommendations, observations, and conclusions.

Central America: Where Do We Go From Here?

Report of the Twenty-ninth Strategy for Peace, US Foreign Policy Conference

Sponsored by

The Stanley Foundation

October 13-15, 1988

Convened at Airlie House Conference Center, Warrenton, Virginia

Central America Discussion Group

Participants

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Susan Kaufman Purcell, Director, Latin American Project, and Senior Fellow, Council on Foreign Relations

Rapporteur
Stephanie R. Golob, Assistant to the Director, Latin American Project, Council on Foreign Relations

Participants

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Affiliations are listed for identification purposes only. Participants attended as individuals rather than as representatives of their governments or organizations.

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Central America: Where Do We Go From Here?

Introduction

Over the past eight years, the debate over US policy in Central America has degenerated into an unproductive partisan clash that has obscured the issues and eliminated the possibility of a bipartisan consensus. Participants on both sides agreed that there has been more talking past one another than true dialogue on such charged issues as Marxist insurgencies, covert and overt aid to the region, and democratization. Even the adoption of a regional peace plan in August 1987 became merely another excuse to obstruct progress toward a unified US agenda for the region. Meanwhile, the crisis has continued to deepen.

Responding to this negative history, the group agreed that the polarized debate must cease to achieve a more effective, coherent, and consistent approach to the crisis. US credibility, in the region and at home, requires a clear set of priorities and congruence between stated and real goals, and it also requires a consensus on the nature of US interests in Central America and how they can be protected and advanced. Defining points of intersection between US goals and interests and those of the Central American countries is also necessary to collaborate better in achieving those mutual interests.

Participants agreed that Central America, for historic, geographic, economic, and political reasons is of vital interest to the United States and that disengagement is not a viable option. At the same time, major disagreements existed on the nature of those interests and on the instruments available to advance them. The group explored those divisions, focusing on the broad areas of agreement upon which a new, more realistic and pragmatic approach to Central America could be fashioned.

Central America Today

The new administration faces a Central America still in crisis, despite the high hopes inspired by the signing of the Esquipulas II accord (commonly known as the Arias plan) in August 1987. According to that plan, all five Central American nations were to comply equally with provisions for ending armed conflict. These provisions included negotiating cease-fires and amnesties, ending aid to insurgent forces and to the use of territory for the overthrow of a neighboring state, and embarking on a process of national reconciliation. The plan also provided for democratization. The simultaneous implementation of these provisions constituted a "peace process" that was to bring a

permanent solution to the region's crisis.

Unfortunately, problems arose almost immediately in the implementation of the provisions of the plan. Each of the five governments began the process in differential compliance with the provisions; therefore, it was difficult to judge objectively the extent to which each was complying. It also became clear that, in practice, each country favored implementation for its neighbors but not for itself. Another stumbling block was verification. Historically, a fundamental tenet of Central American foreign policy has been nonintervention in the internal affairs of other nations. Paradoxically, the Arias plan runs in the opposite direction, calling on the countries of the region to enforce the provisions in each other's territories as well as in their own. Verification has therefore been highly problematic since each country resists criticizing the others out of fear that the tables will be turned.

The group agreed that a major obstacle for the Arias plan has been the United States, itself. Although lip-service was paid to the admirable goal of peace through a negotiated settlement, US support has not gone much past the rhetorical. There was, however, sharp disagreement in the group on why the United States did not do more to help the peace process. Some pointed out that the plan did little or nothing to force the Sandinistas to comply with its democratization and nonsubversion provisions; meanwhile, the United States was required to stop arming the contras, which they argued had been the best means of effectively pressuring the Sandinistas to democratize. Other members of the group were suspicious of the administration's hard line against the evidence of Sandinista compliance. In their view, the peace plan did not receive US support because it thwarted what they believed to be the unstated goal of US policy in Nicaragua: overthrow, not merely opening, of the Sandinista regime. All agreed, however, that the absence of US support for the plan undermined confidence in the peace process within the region.

All of this points to a deterioration of the Arias plan caused by lack of commitment both in the region and in the United States. Nevertheless, the group did not advocate abandoning the plan. Despite its obvious shortcomings, the plan still could serve as a productive framework for peace in Central America. Its goals, peace and stability in the region, are still necessary and important. They are, however, still far from being achieved.

Most serious are the situations in Nicaragua and El Salvador. Nicaragua, in particular, has come full circle since it signed the Arias plan and is once again moving away from the democratization it had promised. Political space, opened briefly during the first year of the plan, has contracted since the July 10 rally at Nandaime, where the

main leaders of the unarmed civilian opposition were arrested and held on the pretense of their involvement with the CIA. The contras, denied military aid and separated from supporters in the countryside, pose no serious threat. With the opposition effectively weakened and with no retribution for noncompliance from the Arias-plan nations, the Sandinistas are in a better position than ever to consolidate their power. This implies a greater likelihood of increased Soviet and Cuban presence and the further militarization of Nicaragua, which, in turn, would increase the security risk Nicaragua would pose to its neighbors in the form of subversion and aid to insurgencies.

As the same time, domestic tensions have also risen due to the sorry state of the Nicaraguan economy. Shortages are commonplace and hunger is becoming more widespread in a country once rich in resources. There was a difference of interpretation of the potential effect of this economic crisis on the Sandinistas. Some group members argued that it would force them to open their political system and their economy in order to attract credit from abroad and to ride out protests at home. Alternatively, others thought it would encourage the Sandinistas to follow the Cuban model and look beyond their borders for victories to build their credibility and to divert the attention of those who might be inclined to protest.

Although the focus on Nicaragua is likely to continue into the next administration, the group was equally concerned with recent developments in El Salvador. Four years ago, with much US financial and moral support, this polarized society managed to elect a centrist government under the leadership of Jose Napoleon Duarte and his Christian Democratic Party. The situation today mirrors that of Nicaragua's "full-circle" in that El Salvador has also returned to its problematic past. The Right has witnessed a renaissance as its party, the National Republican Alliance (Arena), won a majority of seats in the legislative elections held last spring. Although there is a "renovationist" wing of Arena made up of conservative businessmen and civilians, the party, still has ties to the infamous death squads and the equally infamous Roberto D'Aubisson. There is a distinct possibility that Arena's presidential candidate, Alfredo Cristiani, will win this spring, leaving the United States with a serious dilemma if human rights violations resurface.

The Arena victory, however, was not entirely a mandate for the Right; it also reflected a large protest vote by those who have come to identify the Christian Democratic party with corruption. Having ruled with US support for years, the Christian Democrats were visibly complacent in their campaigning. The shock of defeat and the rise of Arena have been strong incentives to regain the trust of their dissolving constituency, though the task has been complicated by the

intraparty squabbles and the deterioration of President Duarte's health. Meanwhile, on the Left, the FMLN has revived its military and terrorist operations at the same time that its political allies in the FDR have joined the Convergencia Democratics and are planning to run candidates in the upcoming elections in March. If the Right comes to power and reacts violently to leftist activity, El Salvador could erupt into a bloody confrontation of extremes that would intensify an already drawn-out conflict and could negatively affect the entire region.

The other Central American countries also have serious internal problems that threaten their weakly institutionalized democratic systems. Guatemala, a nation with a history of military intervention and human rights abuses, has managed a transition to civilian government that remains highly vulnerable. The president, Vinicio Cerezo, is under attack from both his supporters, who feel his reforms have not gone far enough, and from the army and the Right, who feel those same reforms have gone too far. Honduras' most serious problems stem from the tens of thousands of refugees along its borders with both Nicaragua and El Salvador, including ten thousand contras and their families. The contra presence has exacerbated anti-US feelings of many Hondurans. In addition, the government has accused the contras of corrupting the Honduran military with money received as "humanitarian aid" from the United States. Evidence is growing that the military is involved in the rising drug trade. Only Costa Rica's democracy, which has been fully functioning for many years, seems to be relatively stable; however, the burden of its external debt and the austerity measures prescribed to alleviate it could cause political problems and unrest in the future.

The group was also concerned by the current situations in the countries bordering Central America, Panama and Mexico. Panama remains in the hands of General Manuel Noriega, who is under indictment by the United States for his involvement with drug cartels. He also has increasingly close ties to Fidel Castro. Noriega's presence has implications for the United States as the 1990 date for transfer of the administration of the Panama Canal to a Panamanian approaches. His presence is also a constant symbolic reminder to Central America of the failure of US policy and Washington's inability to act in defense of democracy. In Mexico, the traditionally one-party-dominant political system has entered a period of transition toward a more competitive system while the economy continues to struggle through a crisis that began in 1982. Although President Miguel de la Madrid's Economic Solidarity Pact has managed to stem inflation in the short term, once those controls are lifted there is likely to be a sharp resurgence of inflation, which could jeopardize the nascent economic liberalization process. In the political area, the Institutional

Revolutionary Party (PRI), the party which has held the presidency, governorships, and an overwhelming majority of seats in the legislature for the past forty years, must now adjust to sharing power and negotiating with the recently strengthened and highly impatient opposition parties on the Right and especially on the Left. Furthermore, Carlos Salinas de Gortari, the president-elect, lacks a strong mandate. The group agreed that the new realities in Panama and Mexico have added another dimension of uncertainty and risk to the Central American crisis and merit attention both individually and within the context of regional policy.

Policy Options

How should the United States approach the problem of policy toward Central America? There was little agreement; however, the group did concur that disengagement from the region was not a viable option. From that assumption, the group explored possible ways of dealing with the crisis and how and to what extent the United States could contribute to that process.

Most agreed that the Arias plan should be given another chance to succeed and that the United States must play a more active role to achieve that goal. Group members came to this conclusion from two different perspectives. Some were convinced that the plan merits US support both in principle and practice and that a regional solution would be desirable and lasting. Others were less satisfied with the plan itself, based on perceived weaknesses in the areas of enforcement and verification, but saw it as the only choice initially available to the new US administration.

One option presented was to push for tougher standards for implementation and verification of the provisions of Esquipulas II. Most agreed that the peace process had stalled due in part to the lack of sanctions for noncompliance. The group was not in agreement on the definition of what those standards for noncompliance should be. Some advocated verifiable sanctions against violators which would be either economic or diplomatic. Others argued that such sanctions would be used to justify reviving the contras in the case of Nicaraguan noncompliance. It was also argued that international treaties do not, by and large, state specific penalties for noncompliance and that any sanctions proposed for Esquipulas II would be even more problematic since they would have to deal with various degrees of semicompliance as well as outright violation of terms.

The group agreed that realistic and nonflexible timetables for compliance would strengthen the Arias plan and make it possible to test compliance. There was no consensus, however, as to what measures, aside from sanctions, should be taken if a country failed a "test," or

whether several "tests" must be failed first. There were those who thought that the breakdown of the regional plan would justify unilateral action by the United States, while others were more inclined to seek more extreme multilateral enforcement at that juncture.

Another policy option considered was the revival of the contras as a viable military force. The group was divided on the contra issue. Part claimed the contras were the only way to check the Sandinista security threat and to press them to comply with the provisions for democratization as stipulated in the Arias plan. Those who opposed the policy maintained that the contras themselves were in violation of the plan, and, in addition, gave the Sandinistas an excuse to violate the provisions for freedom of press, speech, and association. On the future of contra policy, however, the consensus was that the option was probably no longer relevant. As a result of congressional cutoff of military aid, the contras are no longer strong enough to exert meaningful pressure against the Sandinistas. Logistical networks have broken down, equipment has not been supplied or properly maintained, and most of their troops are outside Nicaragua. The group also questioned the desirability of continuing what one member referred to as Reagan's "contra-centric" policy in Central America given the split within the US electorate over that issue in particular. Since the contra issue has been the main stumbling block to a coherent bipartisan policy toward the region, the group felt that it should be removed from the front burner of US policy options and replaced with alternatives that are more likely to obtain bipartisan support.

The group next addressed the issue of economic and development aid. All agreed with the 1984 report of the National Bipartisan Commission on Central America (Kissinger Commission) that such aid must be part of a solution to the crisis, since much of the region's instability can be traced to the economic and social injustices experienced by its people under a variety of regimes. Some forms that economic development assistance could take include extending the Caribbean Basin Initiative to include textile and sugar quotas, extending preferential status for the region's exports, and limited debt relief. The group split on whether to make such aid contingent upon compliance with all, or at least the democratization aspects, of the Arias plan.

The most debated aspect of the Arias plan concerned democratization. Arias himself insisted that "there can be no peace without democracy" in Central America. The plan calls for all nations to respect the basic rights of their citizens, including freedom of speech, press, and association and to abolish all states of siege or emergency which abridge constitutional guarantees. Moreover, they must allow political parties to organize and protest; and following schedules set

forth in their respective constitutions, they must hold open and fair elections for national and local office. There was little debate within the group over the value of such a provision; however, there was a profound split between two conflicting interpretations of the function of democratization within the framework designed by the plan. The question was whether democracy was basic to the implementation of all provisions or simply one of several equally vital provisions. Those who took the first position argued that once political democracy existed and the disenfranchised were included in the system, there would be no need for the insurgency. Likewise, without the threat of subversion or illegal use of territory, the regional security threat would no longer exist. Those who subscribed to this view also linked democratization directly with US security interests, suggesting that democratization presents the only way of insuring against the strengthening of both Marxist-Leninist insurgencies and a Soviet military presence. Opponents of this view argued that democratization had become a buzz-word to justify a US overthrow of the Nicaraguan government. They questioned the direct link between democracy and peace by pointing to El Salvador, where a right-wing party capable of inspiring new regional instability of its own was elected to a legislative majority through democratic process. From this perspective, it was possible, and arguably necessary, to pursue the goals of democracy and security on two separate tracks.

The split over democratization was paralleled by disagreement over the desirability of a bilateral security pact between Washington and Managua. Those who put great emphasis on the need for democratization tended to oppose such a pact, arguing that it would allow the Sandinistas to consolidate at the expense of democracy and would not prevent Sandinista subversion of neighboring countries. Those who favored the pact maintained that Washington itself would be best able to protect US security interests and to get concessions from the Sandinistas, as well as to verify them. Furthermore, the promise of negotiation would be an attractive carrot for the Sandinistas, while sanctions for noncompliance designed and verified by the United States could also act as an effective stick.

Another related division occurred over the concept of simultaneity. According to the Arias plan, all the provisions are to commence simultaneously, and national reconciliation, in particular, is to occur through steps taken simultaneously by the two sides of each conflict. The group members favoring the contra policy criticized the disarming of the contras prior to negotiations with the Sandinistas and while Soviet aid to the Sandinistas continued. Those who opposed the contra policy accused its supporters of undermining the peace process by using simultaneity as an excuse for refusing to negotiate. They also put forward that, besides creating roadblocks,

simultaneity does not take into account the fact that some provisions of the plan, such as full democratization, will take longer to implement than do others. This problem is aggravated by the fact that the governments and their oppositions find themselves at different "starting points" in terms of their compliance with the plan's provisions. The group agreed, however, that while simultaneity was a laudable goal, it has been virtually impossible to put into practice.

Finally, the group wrestled with the problematic issues of demilitarization and the end of all outside military assistance to the region, as well as a procedure for verifying both processes. Complete demilitarization, all agreed, is a pipe dream in the context of the current international system. The difficulty over partial demilitarization arises over how it is conceived vis-a-vis US-Soviet parity, or lack thereof, in Central America. If the United States and the Soviet Union are treated as equals by the Arias framework, then the United States will be severely limited, both actually and symbolically, in a region where it has historically been dominant and which Washington was considered of vital strategic importance. If a total military withdrawal is required, the United States would have to pull out of four countries, while the Soviet Union and Cuba would only have to leave one. On the other hand, if instead of a total withdrawal, a limit was placed on the number of military personnel allowed in each country, the United States could then maintain its dominance in the region, with military personnel in four countries while the Soviet Union and Cuba would be present only in Nicaragua.

The Arias plan gives the responsibility for implementing the demilitarization provisions to the Contadora group, made up of Colombia, Mexico, Panama, and Venezuela. The first three have serious internal problems, making the Contadora group an imperfect instrument, at best, for mediating between superpowers on military affairs.

Policy Recommendations

The group did not reach agreement on a detailed series of specific recommendations. It nevertheless was able to agree on a framework for a workable policy. This was viewed by the group as strong evidence that overcoming the divisiveness that has plagued the Central America issue for years may yet be possible, thus opening the path to a more consensual US policy toward the region. The main points of consensus were:

1. The United States must look to revitalize the regional diplomatic option as part of its political agenda. The Arias plan deserves US support as a framework for regional peace and stability. By "support," it is meant that the United States should play a more active role in

helping the Central Americans make it operable. It is vital that Washington work with the plan's signatories towards identifying the parts of the plan that need strengthening. In general, the Arias plan offers the best available way to advance US interests. Broadly stated, these include the avoidance of Soviet bases in Central America, an end to cross-border aid to insurgencies and subversion, and the further democratization of the countries of the region. In addition, by using the Arias constructs, the United States can better advance its own interests while respecting the regional initiative.

2. Because of the policy vacuum that exists at the present time and the lack of a coherent policy in the past, the Central America issue demands immediate attention and should be a top priority for the next administration. The United States must recognize that it has a stake in the positive resolution of the Central American crisis. The new administration cannot allow the problems of the region to go unchecked: the absence of US policy toward the region can be just as detrimental to Central American and US interests as a counter-productive policy, especially when expectations within the region are high. Moreover, the longer problems go unchecked the faster the social, political, and economic deterioration proceeds with negative effects for the region, its neighbors, and for the United States as well. In meeting the challenge of the crisis, Washington should not overlook the economic and social causes of the political instability, and US policy should reflect a commitment to those aspects of development as well as to political reconciliation.

3. Policy must be formed from a bipartisan consensus and must not be implemented without backing from the American people. To overcome partisan division, the dialogue must be depoliticized and the rhetoric lowered. US goals and interests must be clarified and agreed upon before setting policy priorities. Whatever policy is agreed upon will work if it is consistent and includes realistic means to achieve realistic ends.

Susan Purcell, Chair *Stephanie Golob, Rapporteur*

President's Address

by Richard H. Stanley
President, The Stanley Foundation

Richard Stanley opened the Strategy for Peace Conference with the following remarks, addressing all participants from the three topic groups.

Welcome to the Stanley Foundation's Twenty-Ninth Strategy for Peace Conference. This annual conference series is intended to be a forum for developing direction and guidance for US foreign policy, and this year is an unusually opportune time for creative discussion. We are on the threshold of national elections and a new US administration. Perhaps even more significant, fundamental changes are occurring in global relationships and these demand new perceptions and offer new opportunities.

As we began planning for this conference, three seemingly unrelated topics seemed ripe for new approaches, and we are delighted with the quality and competence of the participants who have gathered here to discuss them.

US policy toward Central America has been stalemated in recent years. Policy differences within the US government have sharpened. US interests and those of the Western Hemisphere would be well served if participants in this discussion topic could examine the future direction of US policy and formulate elements of a creative and acceptable bipartisan strategy toward Central America.

Our discussion on "Developing an Indochina Policy for the Next Administration" builds on a stimulating discussion of this subject at our Strategy for Peace Conference one year ago. US policy toward Indochina can be characterized as one of neglect since the end of our tragic experience in Viet Nam. This region has both significant needs and significant potential for an expanded US role in Asia. It is certainly timely for participants in this group to propose a new policy toward Indochina which is sensitive to the needs of the region as well as to US interests.

"Soviet Integration Into the World Economy" is also an appropriate topic for policy development. In recent days, General Secretary Gorbachev has strengthened and solidified his support . . . and support for policies of *glasnost* and *perestroika* within the Soviet government and party structures. Soviet spokesmen have enunciated new policy thinking: namely, that rather than being in diametric opposition, socialism and capitalism are moving on convergent paths. They have declared the Soviet intent to become a significant actor in the world economy and the Soviet willingness to accept the world

economy "as it is" as they move in this direction. Yet, the problems of implementing economic reform within the Soviet Union are immense, and progress to date is minimal. These problems are further complicated by the fundamental changes now underway in the international economy. While the prospects for Soviet economic reform are arguable, it is in the interest of the United States and the rest of the world for *perestroika* to succeed. We need to examine the national and international implications of Soviet integration into the world economy and begin formulation of constructive US policy.

At first, these three topics, while timely and ripe for new approaches, seemed separate and unrelated. Yet, as we began working with discussion chairpersons in the development of topics and discussion agendas, significant commonalities emerged. Effective policy recommendations in each of these areas, and undoubtedly in many others as well, must be developed in the context of a world which is in an era of profound change. The world of today and the 1990s differs greatly from that of the post-World War II period, which shaped the formation of our international institutions as well as our attitudes toward and perceptions of the international community. If our policy proposals are to be viable, they must be developed against a backdrop of accurate perceptions of the new realities of today and the future. Fundamental global changes have occurred and are continuing to occur in a number of areas. Let me describe several of the more significant ones.

First, the nature of threats to global security is changing. In the post-World War II period, security threats were perceived in terms of aggression across national borders by hostile states. International institutions and military security systems were developed accordingly. While this kind of security threat has not disappeared, World War II type conflicts seem increasing unlikely and nuclear war has become unthinkable. The security threats of today and the future are far more likely to come from domestic conflict rather than external aggression, from low-intensity warfare, from terrorism, from drug-related threats, and from increasing conventional armament, especially in the South. Military strength is not a reliable guarantor of security against threats such as these.

Further, demographic and development issues are increasingly becoming threats to security. Burgeoning population and growing poverty, along with other economic and social issues, are creating dangerous instability in large parts of the world's population. A new and significant threat to global security comes not from the East or West but from the South. Most of the world's population increase in the next decade will take place in the South, and this will exacerbate problems of migration, refugees, and poverty, none of which

are amenable to classic military solutions.

Next, it is increasingly apparent that humanity is in danger of fouling the global commons to the extent that survival may be jeopardized. Acid rain, depletion of the ozone layer, desertification, the greenhouse effect, destruction of rain forests, and ocean pollution are sobering examples. Destruction of the global commons was not an issue forty years ago. Today, it is a major risk that demonstrates the need for re-examination of long-held views on state needs versus global needs relative to such issues as population, property rights, environmental regulation, and multilateral institutions. It is a risk that exceeds the competence of national governments.

Third, the scope and nature of global economic activity is greatly changed. Nonstate economic actors, such as transnational corporations and financial institutions have grown in size and power. Global economic matters have become transnationalized to the extent that the ability of national governments, even the largest and most powerful, to independently manage their own economic destinies has become greatly curtailed. Existing international institutions have very limited utility in dealing with a global economy which cannot be contained by international law. New thinking is needed on the shape and nature of the international institutions and international cooperation for the future.

Fourth, significant technological progress in the last forty years, in addition to being an engine of economic change, is also revolutionizing communication, moving the world toward an information society, driving the move toward a service economy, and creating changes in employment patterns and resource and energy demands. The benefits of the technological revolution have fallen disparately on different parts of the world and on different sectors within individual nations. The world must find ways of broadening the opportunities for benefit from rapidly increasing technological capability.

Finally, the bipolar post-World War II era is coming to an end. Forty years ago, global power was defined predominantly in terms of military strength. Today, the utility of military strength is diminished, and global power is much more defined in economic terms. Japan is an economic superpower, partly because it has avoided large military expenditures. The Soviet Union and the United States are wisely moving to find accommodation through arms control agreements and disengagement from Third World adventurism to reduce the military drag on their economic strength. Soviet efforts at *perestroika* are a significant effort to regenerate national power. The new US administration will have to deal with significant issues like budget deficits and trade imbalances, which threaten to sap US

economic strength.

Multipolarity is clearly in evidence around the world as middle powers begin to assert themselves and seek opportunities outside the context of East-West competition. The nations of Europe are moving to combine their economies. The OECD (Organization for Economic Cooperation and Development) and the so-called Group of Seven are becoming more significant actors.

The ending of the bipolar era brings new opportunities. Stephen Cohen, a noted Soviet expert, has recently written that the next president of the United States will have both an ". . . opportunity and an obligation to end the decades-long cold war between the United States and the Soviet Union." Can we recognize this change and accept its challenge, or will we shrink back into the ideological cocoon we have constructed out of forty years of fear, mistrust, and military competition?

The fading of bipolarity should not mark the end of US leadership in the world. It provides us with the opportunity to be an effective multipolar leader, sharing this leadership with others, while we see to our own interests. Clearly, openings exist for a more productive role if we can develop multilateral opportunities and seize them as they arise instead of going it alone and risking the wrath of our friends as well as our adversaries.

These are but a few observations that in my view carry great relevance to any discussion of international issues. I would hope that you, as experts in your various fields, would consider the impact of these changes on your topics of discussion. No one can predict the final direction or outcome of what is happening on a global level, but one thing is clear — if we do not deal with change it will certainly deal with us.

As you begin your deliberations on the three important subjects at hand, I urge all of you to keep in mind the multilateral option. Some of the changes which I have outlined have already resulted in a renewed interest in the United Nations to assist in conflict resolution in situations such as Afghanistan, the Iran-Iraq War, and Angola-Namibia. Despite this success, recognized by a Nobel Peace Prize to UN Peace Keeping Forces, the United Nations is an example of a post-World War II institution which requires reform and is making some progress toward this reform in order to be of greatest utility in the world of today and the future.

The United Nations needs a strengthened Secretary General position, improved personnel policies, a better defined mission, and a reformed structure, particularly in the economic and social area.

The United States can, as an influential member-state, work with others for our mutual self-interest to improve the multilateral option by strengthening and reforming the United Nations and other multilateral institutions. Renewed US interest in, and support of, the United Nations is encouraging. We should seize the opportunity afforded by recent Soviet initiatives at the United Nations by working constructively and flexibly with them to develop more fully defined proposals that are mutually acceptable. This subject should be high on the bilateral agenda of the United States and the Soviet Union. These times present both a greater opportunity and a greater need for the development of effective multilateral institutions than at anytime in recent years.

I look forward with great interest to your creative discussions and recommendations as to how the US should proceed in Central America, in Indochina, and on Soviet integration into the world economy. A changed and changing world and an impending new US administration lend opportunity and timeliness to your deliberations.

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